

For more information about the NFIP, call your insurance agent, insurance company,

National Flood Insurance Program

The Benefits of Flood Insurance Versus Disaster Assistance

or the NFIP at 1-800-427-4661.

For an agent referral call toll-free 1-888-435-6637

TDD 1-800-427-5593

http://www.fema.gov/business/nfip http://www.floodsmart.gov FEMA

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## The Benefits of Flood Insurance Versus Disaster Assistance

## Flood Insurance

- You are in control. Flood insurance claims are paid even if a disaster is not declared by the President.
- Between 20 and 25 percent of all claims
  paid by the NFIP are outside of Special
  Flood Hazard Areas.
- There is no payback requirement.
- Flood insurance policies are continuous,
  and are not non-renewed or cancelled
  for repeat losses.
- Flood insurance reimburses you for all covered building losses up to \$250,000 for homeowners and \$500,000 for businesses. Contents coverage is also available up to \$100,000 for homeowners and \$500,000 for businesses.
- The average cost of a \$100,000 flood policy is a little over \$500 annually. The cost of a preferred risk policy is less than \$200 annually, depending on where you live.

## Disaster Assistance

- Most forms of federal disaster assistancerequire a Presidential declaration.
- Federal disaster assistance declarations are not awarded in all flooding incidents.
- The most typical form of disaster assistance is a loan that must be repaid with interest.
- The duration of a Small BusinessAdministration (SBA) disaster home loancould extend to 30 years.
- The average Individuals and Households
  Program award for Presidential disaster
  declarations related to flooding in 2008
  was less than \$4,000.
- Repayment on a \$50,000 SBA disaster home loan is \$240 a month or \$2,880 annually at 4% interest.